From: Sent:

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Thursday, March 24, 2005 3:40 PM

To:

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Cc: Subject:

DWS-844A Strategy to Avoid Contract Delay Claims

(b) the conversation between (b) and (b) resulted from a negotiation tactic with DCI to eliminate a delay claim to Contract No. DWS-844A. Apparently it is working!

To get you on board, the original proposed SBC schedule work for the OPT-E-MAN project, dated July 2004, had a lead time of 6 months.

Presently, the SBC schedule has been expanded to 10 months, finishing the OPT-E-MAN system in December of this year. The substantial completion date for Contract No. DWS-844A is October 7, 2005. However, the 10 month SBC schedule may not be as negative to the DSW-844A schedule as it appears.

SBC has broken down the SBC schedule into the Phase 1 and Phase 2 sites. The Phase 1 sites, approximately 30, for the OPT-E-MAN network includes the water and sewage pumping stations such as Adams Road, Franklin, etc. and other sites where a full blown new security system will be provided under DWS-844A. The OPT-E-MAN network for Phase 1 sites should be completed by the DWS-844A substantial completion date and not cause a delay to DWS-844A. By the way, these Phase 1 sites are the ones that affect the security guard contract; the Phase 2 sites do not effect the security guard contract. The Phase 2 sites, approximately 20, have an existing security system or just a business system and the DWS-844A work is limited to a minor construction and start - up work just for the OPT-E-MAN network. However, the OPT-E-MAN network connections for Phase 2 sites will be completed by SBC in October, November and December of 2005, after the DWS-844A substantial completion date.

The minor construction work for Phase 2 sites will be completed by DCI prior to substantial completion. However, there is only 1 day of start-up for each of the phase 2 sites that will be required to be done and this minor startup work can be done by the sub to DCI, not requiring any Contact delay costs (general conditions costs). One network technician or 2 for one day, per site, for startup work is required.

Rather than pay Contract delay costs in the magnitude of \$4,000 per day, for 3 months or so, an option would be to hire a company, of course with approval by the DWSD Contracting Officer, such as DA Central to do the work for an estimated \$25,000. The negotiation strategy with DCI is for b to agree to do the minor Phase 2 testing work, without charging Contract delay costs. So in discussions with DCI, an alternative company DA Central is mentioned to DCI to do the Phase 2 start-up work at a much lower cost than DCI with Contract delay costs. DCI is loudly objecting to someone else in the picture, DA Central, - he probably is also objecting to not being able to claim contract delay costs. Hopefully, our negotiation strategy with DCI will work and they will decide to do the minor

Phase 2 startup work after substantial completion and not seek Contract delay claims for DWS-844A.

Please contact me if you need further information.